

## MOUNT AUBURN PROFESSIONAL SERVICES, INC.

330 Mount Auburn Street  
Cambridge, Massachusetts 02238  
Tel.: (617) 492-3500

FRANCIS P. LYNCH  
President

August 10, 1990

Anthony Scapicchio, M.D.  
Emergency Unit  
330 Mt. Auburn St.  
Cambridge, MA 02238

Dear Dr. Scapicchio:

This letter is intended to memorize the terms of the agreement between you and Mt. Auburn Professional Services, Inc. ("MAPS") concerning your employment by MAPS during the "Employment Term" (as defined below). MAPS has entered into an agreement with Mount Auburn Hospital (the "Hospital") under which MAPS is responsible for providing emergency medical services, medical teaching services and hospital administrative services within the Hospital's Department of Emergency Medicine (the "Department"). This letter is intended to set forth our mutual understanding and agreement concerning the terms under which you as an employee of MAPS will perform services within the Department.

1. You agree that during the "initial term" and each "renewal term" of the Employment Term, you will provide the number of scheduled clinical hours set forth in Exhibit A of this letter (as it may be amended from time to time by mutual written agreement), according to the schedule assigned by the Chairman of the Department (the "Chairman") and that you will devote your best abilities to providing your professional services in accordance with this Agreement. You also agree that you will not engage in or agree to undertake any other commitments to provide professional services without informing the Chairman in advance, and you will not engage in any other professional activities or employment which in the judgement of the Chairman might interfere with your ability to provide professional services as required by the Department or otherwise perform your obligations under this agreement.

2. During the Employment Term, you will provide professional services for and within the Department. Your duties and responsibilities pursuant to this Agreement will be those assigned by the Chairman. The duties and responsibilities assigned to you by the Chairman may vary from time to time and, in addition to providing care and treatment to patients, may also include providing supervision and training to medical students, interns and residents or other assignments in fulfillment of MAPS obligations to the Hospital.

3. Your professional freedom will be respected in the care of patients. However, at all times you will practice and act in accordance with the accepted

standards of care for your profession and specialty, all applicable rules, regulations, policies, by-laws and protocols of Hospital, the Medical Staff of the Hospital, and the Department, as well as all licensure requirements of the Board of Registration in Medicine. In addition you agree to abide by the By-Laws of MAPS, as they may be amended.

4. Your base salary will be payable by MAPS in weekly installments at the annual rate set forth in Schedule A. Your compensation performance will be evaluated by the Chairman and the MAPS Board of Trustees Compensation Committee (the "Compensation Committee") yearly shall review your annual compensation based on the recommendations of the Chairman. Schedule A shall be amended from time to time, to reflect any mutually agreed changes in your compensation or in your scheduled clinical hours.

5. The Board of Trustees of MAPS shall, from time to time, adopt a fringe benefit plan for all professional employees. MAPS hereby agrees to provide you fringe benefits consistent with the current fringe benefit plan in effect during your employment. Any such fringe benefit plan may be modified prospectively and will remain in effect until such time as a subsequent plan is adopted by the trustees. The current fringe benefit plan established by the trustees and provided to employees of MAPS is described in Exhibit B, which is attached to this letter, (the "Benefit Plan"). Changes in the Benefit Plan shall be recommended to the MAPS Board of Trustees by the Compensation Committee and approved by the Board of Trustees. During your Employment Term, you will be eligible to receive and participate in the fringe benefits provided by the Benefit Plan, as it may be altered, amended or modified from time to time.

6. Charges for your professional services will be billed and collected in the name of Mount Auburn Professional Services, Inc. By signing the Agreement you hereby assign to MAPS all of your accounts receivable and any other rights to receive payments in respect of services provided by you during the Employment Term in or for the Department or otherwise as an employee of MAPS. You agree to prepare, submit and, where appropriate, maintain such records as MAPS requires in order to enable MAPS to bill and collect for your professional services.

7. The "Employment Term" covered by this Agreement includes the "initial term" and each "renewal term". Unless terminated in accordance with the provisions of paragraphs 8 through 10, or unless it expires at the expiration of the "initial term" or any renewal term", this Agreement shall continue in force and effect through the Employment Term. The "initial term" of this Agreement covers the period from the first day of your employment by MAPS through the last day of the next following September. Thereafter, this Agreement shall automatically be renewed for successive twelve (12) month periods ("renewal terms") commencing on the first day of each October and continuing through the last day of the following September, unless at least ninety days prior to the expiration of any initial term or renewal term, either party gives the other written notice that this Agreement will not be renewed.

8. This agreement and your employment by MAPS will automatically terminate if:

- (a) your appointment to the professional medical staff of the Hospital or your privileges to practice at the Hospital of your

license to practice medicine in the Commonwealth of Massachusetts is terminated; or

(b) with the approval of the Trustees of MAPS, MAPS terminates the professional employment contracts of all of its members, including this Agreement, by giving at least ninety (90) days prior written notice of such termination.

9. MAPS may terminate this agreement immediately by:

(a) giving you not less than ninety (90) days prior written notice of termination if MAPS' agreement with the Hospital to provide professional, administrative and medical teaching services for the Department is terminated;

(b) giving you written notice of termination if there occurs or exists any act, event or condition which constitutes cause for your privileges to practice medicine at the Hospital or your license to practice medicine in the commonwealth of Massachusetts to be revoked, terminated, suspended, or restricted; or

(c) giving you written notice of termination if you fail or refuse to perform or otherwise materially breach your obligations under this Agreement.

10. Either party may terminate this Agreement by giving not less than ninety (90) days prior written notice to the other.

11. You agree that except as otherwise provided herein, simultaneously with the termination of your employment under this Agreement for any reason, your clinical privileges with respect to the Department and the practice of emergency medicine at the Hospital and (unless you have been granted clinical privileges which permit you to practice within another department of the Medical Staff) your appointment to and membership in the Medical Staff shall terminate, without recourse under the By-Laws of the Hospital or the By-Laws of the Medical Staff of the Hospital or otherwise. You further agree that MAPS may provide the Hospital with an executed copy of this Agreement to document your agreement to the provisions of this Agreement to document your agreement to the provisions of this Paragraph 11 and that upon the occurrence of an event of termination of employment as set forth herein, the Hospital shall be entitled to rely on this Agreement as evidence of (i) your resignation from the medical Staff at the Hospital and (ii) the termination of your Medical staff appointment and privileges at the Hospital. However, this Paragraph 11 shall not apply to cause a termination of your Medical Staff membership and clinical privileges with respect to the Department and the practice of emergency medicine at the Hospital if immediately following the termination of your employment under this Agreement, you continue to provide services for and within the Department pursuant to the terms of (a) a written successor agreement of employment between you and MAPS, (b) a written agreement of employment between you and a third party which has an agreement with the Hospital to provide professional services for the Department, or (c) a written agreement between you and the Hospital.



12. Upon termination of this employment agreement, MAPS; obligation to you will be limited to the payment of the base salary to the date on which termination becomes effective and any fringe benefits to which you may be entitled pursuant to the fringe benefit plan then in effect. MAPS shall provide professional liability insurance coverage, with annual coverage limits of \$5,000,000 per claim and \$10,000,000 in the aggregate, for any occurrence during your Employment Term arising out of your employment by MAPS, regardless of the date on which a claim might be made. MAPS shall be responsible for payment of all insurance premiums, whenever they may be assessed or billed, which may be charged to provide the coverage described herein.

This letter agreement supersedes all previous discussions and agreements and constitutes a complete statement of all agreements between MAPS and you concerning your employment by MAPS.

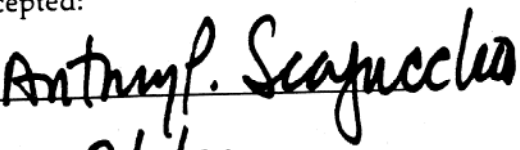
Please indicate your acceptance and agreement to the terms outlined in this letter by signing the enclosed copy and returning it to me.

Sincerely,  
Mount Auburn Professional  
Services, Inc.

By   
President

Accepted:

By

  
7/4/91

APPENDIX A ✓

Anthony Scapicchio, M.D.

Annual Salary Fiscal Year 1991=

10/1/90 to 6/30/91=\$161,804/52 = \$3111.60/wk

7/1/91 to 9/30/91=\$144,740/52 = \$2783.43/wk

Scheduled Clinic Hours per Year

10/1/90 to 6/30/91= 1370/52 = 26.3/wk

7/1/91 to 9/30/91= 1633/52 = 31.4/wk

Note: All physicians employees should expect to devote  
4 to 6 hours a week to non-clinical tasks (administration,  
teaching, Q/A, etc.).

Future salary will be determined by negotiation between  
department chairman and corporate compensation committee  
of MAPS.

## **Benefits for Physicians at Mount Auburn Hospital**

Physicians employed by Mount Auburn Hospital receive the following benefits, based on scheduled hours and length of service:

### **Health Insurance**

Coverage is available upon employment to those scheduled for a minimum of 20 hours per week. Plans include Blue Cross Blue Shield Master Health Plus or Major Medical, Bay State Health Care, Harvard Community Health Plan and Tufts Associated Health Plan. Individual or family plan available.

Mount Auburn Hospital will contribute up to 80% of the cost of the premium, depending on the plan selected and on the employee's scheduled hours per week. The employee is responsible for the remainder of the premium through weekly payroll deduction. These deductions are pre-tax.

### **Flexcare**

Flexcare, also available to those scheduled for a minimum of 20 hours per week, is a benefit that allows employees to set aside pre-tax salary dollars to be used for out-of-pocket medical or dependent care expenses. Employees may enroll in this flexible spending account program during the open enrollment period.

### **Life and Accidental Death and Dismemberment Insurance**

Coverage begins after 6 months of employment and is fully paid for by the hospital. Employees must be scheduled for a minimum of 20 hours per week. The benefit is \$2,000 during the first 6 months of coverage. After one year of service, the insured amount increases to three times annual salary to a maximum of \$250,000.

### **Long-Term Disability Insurance**

This plan is available to full-time (40 hours per week) employees only. It is fully paid for by the hospital. Employees are enrolled after 6 months of service. In the event an employee becomes disabled and unable to work for a period of six months or more, this plan may provide up to 60% of gross monthly earnings, up to a maximum of \$5,000 per month.

## **RetirementPLUS**

RetirementPLUS is Mount Auburn Hospital's new defined contribution retirement savings plan. After 2 years of service at a minimum of 20 hours per week, employees receive a contribution from the hospital to a 403b tax-deferred annuity account in their name. The amount contributed is equal to a percentage of the employee's gross monthly salary. New enrollees receive a 3% hospital contribution. The money can be invested with either UNUM Life Insurance Company or Fidelity Investments. Employees may contribute voluntarily to these accounts through weekly payroll deduction. This can be arranged at any time during one's employment.

## **Credit Union**

The Mount Auburn Hospital Employees Federal Credit Union is available to all employees. Providing services similar to a full-service bank, the credit union allows employees to save money through payroll deduction, with immediate access to funds. Members can apply for loans or take advantage of the credit union's other services. The credit union is conveniently located on the hospital campus in the basement of the Clark Building.

## **Paid Time Off**

Per contract.

## **Parking**

Per contract.

Updated May 1990.

### Sick Time Policy

To the group:

The following is a direct transcription of my notes from a meeting on March 24, 1990, and represents the policy as we last agreed to it:

"Dr. Hobbs addressed the group's sick time policy. After some general discussion, it was felt that our present system was not satisfactory and a new plan was proposed en masse. The new proposal is that individuals missing up to one month (30 days) will continue to be paid but will have to make up the hours to the group. From 31 to 90 days, the group will continue to cover so that pay will continue, but hours will not need to be made up. After 90 days, pay and coverage will cease."

John